

## Message Text

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ORIGIN ARA-03

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FM SECSTATE WASHDC

TO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

USCINCSO

XMT AMEMBASSY SANTO DOMINGO

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FOL RPT SANTO DOMINGO 4733 SENT ACTION SECSTATE OCT 23 QTE

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DEPT PLEASE PASS ALL ARA CAPITALS EXCEPT SANTO DOMINGO

E.O. 11652: N/A

TAGS: ECIN, EGEN, PFOR, DR

SUBJ: RESULTS OF SELA'S FOUNDING SESSION IN PANAMA

1. FOLLOWING INFORMATION ON THE MINISTERIAL MEETING IN PANAMA LAST WEEK FOR THE CREATION OF THE LATIN AMERICAN ECONOMIC SYSTEM (SISTEMA ECOMICO LATINOAMERICANO - SELA) WAS OBTAINED FROM CHIEF DOMINICAN DELEGATE, FERNANDO PERICHE VIDAL. FROM CLOSE AND EXTENSIVE ASSOCIATION WITH PERICHE, EMBASSY BELIEVES THE INFORMATION TO BE RELIABLE. PERICHE IS SOMETHING OF AN ECONOMIC NATIONALIST BUT IS SINCERE AND HONEST.

2. SELA'S CHARTER WAS SIGNED BY ALL COUNTRIES PRESENT AT THE PANAMA MEETING EXCEPT GRENADA AND BARBADOS, WHO WERE GIVEN 30 DAYS TO MAKE UP THEIR MINDS. ALL SIGNATORY GOVERNMENTS MUST SUBMIT THE CHARTER TO THEIR RESPECTIVE LEGISLATIVE BODIES FOR RATIFICATION.

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3. FORMER ECUADORIAN FINANCE MINISTER JAIME MONCAYO WAS CHOSEN SECRETARY GENERAL OF SELA AND CARACAS WAS AGREED UPON AS THE SEAT.

4. AFTER A LONG AND LIVELY DEBATE AT PANAMA OVER FUTURE VOTING ARRANGEMENTS IN SELA, IT WAS DECIDED THAT SOME ISSUES WOULD BE RESOLVED BY TWO-THIRDS VOTE AND OTHERS BY CONSENSUS. SELA'S CHARTER ATTEMPTS TO ENUMERATE THE ISSUES WHICH WILL BE RESOLVED IN THESE RESPECTIVE FASHIONS.

5. THE VENEZUELAN GOVERNMENT IS TEMPORARILY UNDERWRITING SELA'S ANNUAL BUDGET OF ALMOST DOLS 1 MILLION. A SECRETARIAT WILL BEGIN FUNCTIONING IMMEDIATELY. SELA WILL ESTABLISH A CENTRO LATINOAMERICANO DE INFORMACION Y DIVULGACION IN ECONOMIC, SOCIAL, CULTURAL AND TECHNICAL FIELDS.

6. SELA WILL DESIGN NEW MECHANISMS OR REINFORMCE EXISTING ONES WHICH WILL ASSIST THE SIGNATORY STATES IN OBTAINING BETTER PRICES AND ASSURED STABLE MARKETS FOR THEIR PRODUCTS.

7. SELA WILL TRY TO ACHIEVE COMMON LATIN AMERICAN POSITIONS IN SUCH INTERNATIONAL FORUMS AS THE GROUP OF 77, UNCTAD, MTN, AND THE LIKE.

8. IN WHAT PERICHE CHARACTERIZED AS AN INNOVATIVE AND ORIGINAL APPROACH, SELA WILL BE SETTING UP MANY ACTION COMMITTEES, EACH ONE TO DEAL WITH AN INTERNATIONAL FORUM OR AN INTERNATIONAL COMMODITY. WHEN THE ECONOMIC COUNSELOR ASKED WHETHER THERE WOULD BE AN ACTION COMMITTEE TO WORK WITH THE GROUP OF LATIN AMERICAN AND CARIBBEAN SUGAR EXPORT COMPANIES (GEPLACEA), PERICHE REPLIED AFFIRMATIVELY. WHEN THE ECONOMIC COUNSELOR ASKED ABOUT SELA'S WORKING JOINTLY WITH SUCH ORGANIZATIONS AS THE INTERNATIONAL BAUXITE ASSOCIATION WHICH INCLUDES AUSTRALIA AND MEMBER COUNTRIES IN AFRICA, PERICHE LOOKED PUZZLED AND REPLIED HE WAS NOT SURE HOW THAT WOULD WORK OUT.

9. PERICHE SAYS THAT THE FIRST TASK OF SELA WILL BE TO DEVELOP A COORDINATED LATIN AMERICAN POSITION FOR THE GROUP OF 77 MEETING IN MANILA NEXT JANUARY 26. SELA WILL HAVE ITS FIRST MEETING ON JANUARY 9 TO CONSIDER THAT SUBJECT.  
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10. PERICHE TOLD THE ECONOMIC COUNSELOR THAT SELA WAS NOT REPEAT NOT AGAINST THE US BUT WOULD BE FILLING A VACUUM IN LATIN AMERICA IN ASSISTING LA COUNTRIES TO ACCELERATE THEIR ECONOMIC AND SOCIAL INVOLVEMENT. IN A SUBSEQUENT PRESS CONFERENCE OCTOBER 21, PERICHE DESCRIBED SELA AS A "LATIN AMERICAN MECHANISM OF CONSULTATION AND COORDINATION FOR FORMULATING COMMON POSITIONS AND STRATEGIES ON ECONOMIC AND SOCIAL SUBJECTS

VIS-A-VIS THIRD COUNTRIES, GROUPINGS OF OTHER COUNTRIES, AND  
INTERNATIONAL ORGANIZATIONS AND FORUMS."

11. PERICHE ALSO INFORMED THE PRESS THAT THE PANAMA MEETING  
BACKED (RESPALDO) THE UNION OF BANANA EXPORTING COUNTRIES  
(UPEB) AND GEPLACEA.

12. PERICHE TOLD THE ECONOMIC COUNSELOR THAT BECAUSE OF  
DIFFERENT LEVELS OF DEVELOPMENT AMONG VARIOUS LA COUNTRIES HE  
DID NOT ANTICIPATE SELA'S ATTEMPTING TO DO FOR ALL OF LATIN  
AMERICA WHAT THE ANDEAN PACT IS ATTEMPTING FOR ITS MEMBER  
VOUNTRIES. HE INDICATED THAT HE FELT ONE OF THE PRINCIPAL  
CONSTRUCTIVE THINGS OF LATIN AMERICAN-OWNED MULTINATIONAL CORPORATION  
S  
AND THE FOSTERING OF COMPLIMENTARY INDUSTRPAL ESTABLISHMENTS.  
AS AN EXAMPLE OF THE FORMER HE CITED A RECENT BAUXITE  
CORPORATION FORMED BETWEEN JAMAICA AND MEXICO.  
AXELROD UNQTE  
INGERSOLL

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## Message Attributes

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